Speedy Disinvestment to Reduce National Debt

345. SHRI CM. IBRAHIM: Will the Minister of DISINVESTMENT be pleased to slate:

(a) whether Government have decided to go in for speedy disinvestment to quickly reduce national debt and free resources for investment in the social sector;

(b) if so, what are the plans for investments in social sector contemplated by Government; and

(c) the extent of disinvestment to be carried out this year.

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) and (b) The disinvestment of Government shareholding in public sector undertakings is being done as per the declared policy to bring down the Government shareholding to 26% in the generality of cases. In cases of public sector enterprises involving strategic considerations, Government will continue to retain majority holding. The amount realised from disinvestment is deposited in the Consolidated Fund of lndia. The Consolidated Fund of India is also the source for funding all social sector programmes of the Government.

(c) The amount of Rs. 1585 crores have been realised from disinvestment in PSUs upto 31/1/2000 during the current financial year against the target of Rs. 10,000 crore.

Purchase of Equity of IPCL by IOC

346. SHRI V. N. GADGIL: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether IOC offered to buy 25 per cent of equity of IPCL at the price mentioned by Government; and

(b) if so, as to why the offer was rejected?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) and (b) In the context of the proposal for disinvestment by Government in IPCL, there was no offer from IOC to buy 25% equity of IPCL. IOC had only indicated its expression of interest to bid for the equity in IPCL. IOC has since joined hands with the Chatterjee-Soros Group in this regard.